

ARTICLE APPEARED
ON PAGE 1A

THE NEWS WORLD (NY)
23 JULY 1981

CIA appointee tied to Ellsberg, Pentagon Papers

By Robert Morton
NEWSWORLD STAFF

The controversy surrounding CIA Director William Casey intensified yesterday when another of his high-level appointees became the object of critical questioning.

On July 7, the administration announced that Henry S. Rowen had been chosen to head the National Intelligence Council — a group responsible for preparing national intelligence estimates for the CIA. Rowen resigned under pressure as president of the Rand Corp. in 1971, reportedly because he collaborated with Daniel Ellsberg in the release of the "Pentagon Papers."

Casey yesterday refused to comment about the selection of Rowen and a spokeswoman told The News World that Casey was "unwilling to make any statements about why he appointed him to that position."

Admiral Bobby R. Inman, CIA deputy director, also declined comment.

'Lax about security'

"I think that the biggest worry is that here is a man who is pretty lax about security — sufficiently lax that he lost his job at Rand," said retired Lt. Gen. Daniel O. Graham, former director of the Defense Intelligence Agency.

"As the boss out there at Rand, he was ultimately responsible for the safeguarding of classified papers," Graham said in a telephone interview from his office at the American Security Council in Washington.

"I do recall that he testified essentially for Ellsberg at the trial. That's a very strange background for a guy



William J. Casey UPI

to get the job that he's getting."

Last week Max Hugel, Casey's deputy in charge of CIA's covert operation section, resigned as a result of what he called "unfounded, unproven, and untrue" allegations in a Washington Post article that he had engaged in "improper" stock market practices in the 1970s.

Intelligence sources said Hugel was the victim of either a personal vendetta from his two former business associates (one of whom — Samuel McNell — is reported missing) or of "an inside hatchet job at the company."

Although President Reagan has defended Casey, some intelligence specialists are more alarmed by the CIA director's appointment of Rowen than by the apparent shortcomings of the background investigation that preceded Hugel's appointment.

A White House spokesman declined comment on Rowen's selection, saying only that Casey was responsible for the appointment and that "there is no change in this administration's support of Casey."

Rowen, who is (or reportedly was) a close friend of radical leftist Daniel Ellsberg, resigned his posi-

tion, then assistant secretary of defense for international security affairs, and two of his top assistants, Leslie Gelb and Morton Halperin.

Halperin is now director of the Center for National Security Studies which was founded in 1974 by the radical left-wing think tank, the Institute for Policy Studies.

The CNSS publishes the Covert Action Information Bulletin which exposes the activities of American intelligence agencies and specializes in identifying agents by name.

Warnke headed the Arms Control and Disarmament Agency under the Carter administration. Both he and Gelb, now a New York Times reporter, are known as advocates of a weakened U.S. strategic and military posture.

"For a long time, Rand was turning out papers on strategy and military matters in support of policies that are from our point of view failures," Gen. Graham said.

"Unless Mr. Rowen has changed his mind, and according to some of his statements about the unduly optimistic estimates by the CIA, he may have changed his stripes, that worries me a little bit," he added.

Rowen, who had worked with Ellsberg in Rand's economic division as early as 1959, criticized his friend's disclosure of the Pentagon Papers. Nevertheless his resignation from Rand in 1971 apparently resulted from a breakdown in trust between Rowen and the Department of Defense.

Pentagon officials reportedly feared that he was attracting people to his staff who were antimilitary.